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NOTE —  
28 March 1985 DDA —

Mr. Fitzwater:

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dropped the attached off  
for you.

Even though it is addressed to DCI,  
Mr. Casey has not seen it. Mr. McMahon did  
see it and suggested that we get in touch  
with Tom Peters to perhaps set up a "Bubble  
Session." We need to check out the cost  
before a commitment is made. If his price  
is reasonable, DDCI believes it is a good  
idea.

STAT

P.S. I may be wrong, but I believe Magee  
may have a video tape of Peters which  
was aired some time back on Channel 26.

Central Intelligence Agency  
Washington, D.C. 20505

26 March 1985

Executive Director

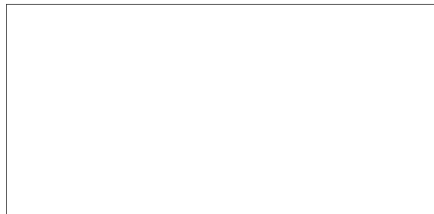
NOTE FOR: DCI

SUBJECT: Pursuit of Excellence Suggestion

Tom Peters, co-author of In Search of Excellence, recently aired a presentation called A Passion for Excellence on the Maryland Public Broadcast System. One of our employees saw it and suggests in the attached that we invite Peters here as a guest speaker.

It seems like a good idea. If you agree, we'll set things in motion.

Attachment



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BALTIMORE SUN -- 24 FEBRUARY 1985

BALTIMORE SUN 24 February 1985 Pg. 3F (25)

# A sense of ownership: Air Force general shows its value

When the issue is productivity, commitment and ownership are the two most important words in the English language. Yes, ownership. In the sense of share ownership, a piece of the rock, but much more — real "ownership" of an outcome.

Ownership of this sort is the key to the most significant big organizational turnaround I have ever witnessed. It occurred in an unlikely setting — the United States Air Force.

Under the leadership of Gen. Bill Creech, the 111,000-person Tactical Air Command has done an about-face in the past five years.

There's a peacetime "bottom line" in General Creech's business: the rate of "sorties" — flights flown under simulated combat conditions with maintenance and support teams. When General Creech arrived in 1978, the sortie rate had been dropping at a compound annual rate of 9 percent for 10 years.

During the next five years, that vital indicator increased at 11 percent a year. The time required to come up with a part necessary to make a plane operational fell from more than four hours to under 10 minutes.

General Creech says the military, like the private sector, has been victimized by what he calls the "centralization and consolidation disease."

The general's ability to stem a huge tide in a vast organization came from selling a new organizational philosophy — decentralization, with job ownership delegated to lower level units. Moreover, and perhaps most important, the general made the unsung maintenance and supply people heroes, along with the already motivated pilots.

The Air Force has always flown in combat by squadron, but as a result of the dogma of centralization during the days of former Secretary of Defense Robert McNamara, peacetime squadrons were eliminated entirely and the giant, centralized wing organization became the operative unit.

Although temporary deployments were still made in contrived-at-the-moment squadrons, management had eliminated the traditional squadron trappings. For instance, the fabled 94th, the Eddie Rickenbacker squadron, officially disappeared — scarves, tail markings and

all. The McNamara logic said such things weren't important.

General Creech disagreed strongly and restored the traditional squadrons. He disbanded much of the over-centralized logistics operation and put the parts next to the planes on the flight lines, where they were before centralization.

Specialist non-commissioned officers had been evaluating their own performance, says General Creech, on the thickness of their carpets.

General Creech sent them back down to the planes. Instead of having responsibility for the right side landing gear on 300 planes, the offi-

## ON EXCELLENCE



TOM PETERS

cers were charged with making two planes fly — today.

The general also initiated competitions between squadrons. Flags and banners were returned. Perhaps the most significant change, however, was the honoring of airmen and non-commissioned officers in supply and maintenance. Squadron-level maintenance units were created — a first. They were given arm patches and improved facilities.

Today, the first thing supply and maintenance people see upon entering the new facilities is a big board displaying pictures of "dedicated crew chiefs" (a new title). Next, they see squad boards posting daily and annual progress on key measures. The maintenance facilities are expected to be kept as immaculate as the airplanes.

The general even instituted a quarterly "roll-by" for the maintenance crew. The more traditional "fly-by" focuses on demonstration of planes. The general's roll-by focused on the supporting panel trucks, jeeps and trailers — that is, the vehicles that haul the supplies to the planes. The roll-by is a parade of such vehi-

cles that is taken very seriously by senior commanders.

Competition among maintenance units was set up. Each wing headquarters now has a sizable trophy room. Several of the trophies are of a quality equal to the Lombardi Cup given to the NFL Super Bowl winner.

The awards are not for pilots; the room is dedicated to competitions won by supply, maintenance and other support people.

As often is the case, in both private and public sector, the "job ownership" that the trophies recognize is perhaps best remembered and treasured by an employee, not a boss.

General Creech was on an inspection tour when he asked an NCO: "Sergeant, tell me why this is working so well. A while back you were a specialist, practicing your well-honed skill. Now I've sent you back down to the flight line, made you wholly responsible for a couple of planes. And a turnaround has taken place.

Why? The sergeant replied with the wisdom of the ages: "General, sir, have you ever washed your rental car before you turned it in?"

Exactly! If we don't "own" it, if we're not responsible for it, we don't wash it or pay much attention to it.

The pilot has always been motivated. His planes are exciting to fly. But now the other people who really count, who make it happen, are full-scale, proud members of the team as well.

The story is applicable to nearly all organizations. Generally, most of our institutions — schools, hospitals, big and small businesses — have been pursuing the nominal benefits of consolidation. They can learn a good deal from turning support people into heroes.

After all, a bank's reputation is only as good, in the end, as the dedication of the check processors and coupon clippers. A car or truck dealership flourishes or stagnates because of the vitality — or lack of vitality — of its parts and service teams.

Lending officers and sales people are in the spotlight almost automatically. Their celebrated feats are often legendary. But, have you ever heard of a three-day bash in Bermuda for the top people in a service department?